IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TENNESSEE
WESTERN DIVISION

ROGER PORTER,	)	
	)	
Plaintiff,	)	
	)	
v.	)	
	)	**Civil Action No.: 2:15-cv-02780**
AAR AIRCRAFT SERVICES, INC.,	)	
a/k/a AAR, and AAR CORP.,	)	**JURY DEMAND**
	)	
Defendants.	)	

AMENDED COMPLAINT FOR BREACH OF EMPLOYMENT CONTRACT AND DAMAGES, OR IN THE ALTERNATIVE PROMISSORY ESTOPPEL OR UNJUST ENRICHMENT

COMES NOW the Plaintiff, ROGER PORTER, and sues the Defendants, AAR AIRCRAFT SERVICES, INC. a/k/a AAR, and AAR CORP. ("AAR") for breach of employment contract and damages, promissory estoppel, and unjust enrichment, and respectfully alleges as follows:

I. PARTIES

1. Plaintiff is a resident citizen of Shelby County, Tennessee.

2. Defendant AAR CORP. is a foreign corporation with corporate offices at 1100 North Wood Dale Road, Wood Dale, Illinois, and has publicly held itself out as having an office and/or doing business in Tennessee as "AAR Cargo Systems" with an office at 4821 Cromwell Avenue, Memphis, Tennessee. Defendant AAR CORP is the parent of AAR AIRCRAFT SERVICES, INC., and owns 10% or more of the stock of AAR AIRCRAFT SERVICES, INC. Additionally,

AAR CORP. has acted as an agent of AAR AIRCRAFT SERVICES, INC. in that it signed a contract in which it made an offer for Plaintiff, a Tennessee resident, to be employed by AAR AIRCRAFT SERVICES, INC.

II. JURISDICTION

3. This Court has jurisdiction of this matter pursuant to 28 U.S.C. §§ 1332 since this is a civil case wherein the damages at issue exceed the sum or value of $75,000, and is between citizens of different States.

4 The Plaintiff resides in Shelby County, Tennessee, and the Defendant AAR CORP., whether legally authorized to do business in Tennessee or not, has publicly held itself out as having an office and/or doing business in Tennessee as "AAR Cargo Systems" with an office at 4821 Cromwell Avenue, Memphis, Tennessee. Defendant AAR CORP., is the parent of AAR AIRCRAFT SERVICES, INC., and owns 10% or more of the stock of AAR AIRCRAFT SERVICES, INC. Additionally, AAR CORP. has acted as an agent of AAR AIRCRAFT SERVICES, INC. by signing a contract in which it made an offer for Plaintiff, a Tennessee resident, to be employed by AAR AIRCRAFT SERVICES, INC.

5. Venue in this district is proper pursuant to § 20-4-104 28 U.S.C. § 1391(b) and (c) because Plaintiff, with whom AAR CORP. negotiated the employment contract at issue, is a resident of this district, and Defendant AAR CORP. regularly conducts business in and has engaged in wrongful conduct alleged herein in this district by breaching the employment contract with Plaintiff, a Tennessee resident.

III. FACTS

6. Plaintiff was formerly the owner of Aeroframe Services, LLC ("Aeroframe"), a Louisiana LLC that was in the Aircraft Maintenance, Repair, and Overhaul business and which leased hanger facilities at the Lake Charles International Airport in Lake Charles, Louisiana.

7. In 2013, Defendant AAR CORP. contacted Plaintiff, who was serving as President and Chief Executive Officer of Aeroframe Services, LLC., concerning a possible purchase of the assets of Aeroframe, primarily to acquire the lease or hanger facilities. This offer, which was in writing and dated July 19, 2013, included an offer of an employment agreement which included the specific terms as follows:

(a) title of General Manager/Vice President of AAR Aircraft Services -Lake Charles;

(b) annual base salary of $250,000;

(c) a grant of $50,000 shares of AAR (restricted stock) and $50,000 of non-qualified AAR stock options ...

(d) participation in the management discretionary incentive bonus plan up to 50% of annual base salary;

(e) miscellaneous provisions (e) and (f).

A copy of that offer is attached as Exhibit 1.

8. On August 1, 2013, Defendants AAR Corp and/or Aircraft Services, Inc. made in writing on AAR letterhead signed by AAR Corp's Chief Financial Officer, John Fortson, a "conditional offer of employment" with Aircraft Services, Inc. subject to and contingent only "upon AAR

signing a real estate lease agreement for hanger space with the Chennault International Airport Authority" ("CIAA").

9. Plaintiff, alleges that the space in question was the hangar leased by Aeroframe at the CIAA.

10. The offer, contingent only upon AAR's acquisition of such hanger space, specifically provided that the terms of employment were as follows:

(1) Plaintiff would be employed by AAR Aircraft Servicing, Inc. as General Manager/Vice President;

(2) The Commencement date of such employment was to be mutually agreed to "following execution by AAR of a real estate lease agreement for hanger space ..."

(3) Plaintiff was to have an Annual base salary of $250,000

(4) Stock incentives "on an annual basis for a period of five (5) years..."

(5) Bonus participation.

(6) Four (4) weeks of annual vacation

(7) Severance if Plaintiff was terminated within first five (5) years for reasons other than cause:

(i) prior to second anniversary date of employment; Two (2) years of base salary of $250,000

(ii) termination after the second anniversary date: Three (3) months salary.

A copy of this offer is attached as Exhibit 2.

11. Defendant indicated that it was "happy to extend this offer of employment and [] look[ed] forward to working with [Plaintiff.]"

12. Additionally, Defendant indicated in its written offer that Plaintiff could accept that employment offer by returning a signed copy to John Fortson, Chief Financial Officer, which Plaintiff signed and returned on August 1, 2013, the very day the employment offer was extended to him.

13. Plaintiff alleges that the asset purchase agreement was not executed or completed, but Defendant did obtain a lease for the above-mentioned "hanger space."

14. In Defendant's letter of August 4, 2013 (attached as Exhibit 3), Defendant stated that it was aware that Aeroframe had terminated its lease with CIAA, which allowed Defendant to obtain a lease on the space Aeroframe had previously leased. In that letter, AAR acknowledged that it had "entered into a lease for the space previously leased to Aeroframe" and specifically demanded that Aeroframe vacate that area.

15. Therefore, Plaintiff alleges that within days of Defendant(s)' representation that AAR Aircraft Servicing, Inc. would hire Plaintiff if AAR obtained a lease of hangar space with the CIAA, Plaintiff voluntarily terminated Aeroframe's lease with the CIAA, gave up Aeroframe's business operations at the CIAA hangar space it had leased, and gave up his own position(s) of President and Chief Executive Officer with Aeroframe in reliance on Defendant's August 1, 2013, agreed promise to employ him.

16. However, Defendants failed to bring Plaintiff on as General Manager/Vice President despite Plaintiffs requests. Attached as Exhibit 4 is a copy of the letter of Plaintiff's original

counsel to AAR dated June 12, 2014, stating that "Mr. Porter remains ready, willing and able to begin work for AAR.

IV. BREACH OF CONTRACT

17. Adopting by reference the allegations of fact as though set out verbatim, Plaintiff alleges that he accepted an offer of employment from Defendant either by: (a) express acceptance since he signed the written offer as invited by Defendant and returned such acceptance to Defendant and/or (b) fulfilling the only condition of Defendant's offer of employment, which was Defendant AAR executing a lease for Aeroframe's CIAA hanger space (which impliedly meant that in order to comply Plaintiff would necessarily have to cancel his business' own lease for hangar space with CIAA, which Plaintiff promptly effectuated in order for Defendant to sign a lease for that space), thereby creating an express contract (or in the alternative an implied contract) to which there was mutual assent, and that Defendant has breached such contract by failing or refusing to employ Plaintiff pursuant to the parties' agreement. (See Exhibit 2.)

18. Plaintiff alleges that, although the Defendant intentionally breached the parties' express agreement by failing to submit "a customary executive employment contract" with the terms as previously agreed, Defendant did not expressly revoke or rescind the agreement to hire Plaintiff prior to Plaintiff's formal written acceptance of Defendant's terms and/or fulfillment of the condition precedent. (See Exhibit 3)

19. Plaintiff alleges that the agreement of employment was for a definite term of at least five (5) years at the annual base salary of $250,000 with stock incentive, vacation, and other benefits offered by the Defendant to all of its management employees.

20. Plaintiff avers that as a result of Defendant(s)' breach of such contract he is entitled to damages for five (5) years at the base salary of $250,000 for a total salary of One Million Two Hundred Fifty Thousand ($1,250,000) dollars plus the stock incentives,

21. Plaintiff further avers that he is entitled to all other employee benefits Defendant offers to all employees in management positions similar to the one offered to Plaintiff.

V. PROMISSORY ESTOPPEL

22. Adopting by reference the previous allegations of fact as though set out verbatim, Plaintiff alleges that, in the alternative, if an enforceable express contract is not found to have been created as alleged in Count IV, Defendant(s)' promise to employ Plaintiff if AAR acquired Aeroframe's hangar lease should be enforced under the doctrine of promissory estoppel.

23. While Plaintiff was employed by Aeroframe on August 1, 2013, as its President and Chief Executive Officer and, as the owner of Aeroframe, held rights as a lessee of CIAA hangar space, Defendant AAR CORP and/or AAR AIRCRAFT SERVICING, INC, made a promise that AAR AIRCRAFT SERVICING, INC, would employ Plaintiff as its General Manager/Vice President of AAR Aircraft Services for a period of five years beginning on a date to be mutually agreed upon with the sole condition that AAR obtain a lease agreement for that CIAA hangar space.

24. Defendant's promise to hire Plaintiff as its General Manager/Vice President was unambiguous and not unenforceably vague in that it required Plaintiff to take steps to cancel Aeroframe's current lease for CIAA hanger space and cease its business operations at that hangar so that AAR could take over that space, which was the only condition of AAR hiring Plaintiff.

25. Defendant offered Plaintiff a salary of $250,000 annually plus other incentives as described in the foregoing paragraphs and indicated that it was "happy to extend this offer of employment and [] look[ed] forward to working with [Plaintiff.]"

26. Additionally, Defendant indicated in its written offer that Plaintiff could accept that employment offer by returning a signed copy to John Fortson, Chief Financial Officer, which Plaintiff signed and returned on August 1, 2013, the very day the employment offer was extended to him.

27. After Defendant made such offer of employment (contingent upon AAR obtaining the lease for hangar space) and invited Plaintiff to return a signed copy to Defendant in acceptance of such employment offer, Defendant should have therefore reasonably expected such promise to induce Plaintiff to take action of a definite and substantial character in reliance on such promise after he signed and returned such agreement, for example, Plaintiff's cancellation of Aeroframe's lease for CIAA hanger space, closure of Aeroframe's business operations at that hangar site in Lake Charles, and termination of employment with Aeroframe.

28. Plaintiff's action or forbearance in cancelling Aeroframe's lease with the CIAA in order for AAR to lease that hangar space for its business, closing his own business (Aeroframe), and terminating his position with Aeroframe in order to work for AAR should be binding on Defendant because injustice can be avoided only by enforcement of Defendant's promise to so employ Plaintiff in return for him cancelling Aeroframe's lease, closing operations of his former business, and giving up his job at Aeroframe.

29. Plaintiff reasonably relied upon Defendant's written promise to employ him if AAR obtained a lease of Aeroframe's hangar space to his detriment, namely the loss of profits from

giving up Aeroframe's lease and closing its operations as well as the forfeiture of any salary, remuneration, and/or employment benefits Plaintiff had been entitled to as an employee of Aeroframe.

30. Plaintiff suffered economic damages that were foreseeable by Defendant due to Plaintiff's reasonable reliance on Defendant's promise to hire him if he cancelled Aeroframe's hangar lease, ceased its operations, and relinquished his position with Aeroframe, including but not limited to: loss of profits from Aeroframe's lease of the hangar space and business operations as well as the forfeiture of Plaintiff's Aeroframe salary, remuneration, and/or employment benefits.

31. Accordingly, Defendant is liable to plaintiff under this theory of promissory estoppel and for the damages incurred by Plaintiff in reasonably relying on Defendant's promise to so employ Plaintiff in exchange for the hangar space leased to his business, Aeroframe.

VI. UNJUST ENRICHMENT

32. In the event that Plantiff's employment contract is not enforceable, in the alternative, Plaintiff adopts by reference and re-alleges the foregoing paragraphs as if set out fully herein and alleges that such promise should be enforced based on the theory of unjust enrichment.

33. Plaintiff voluntarily terminated the CIAA hangar lease of his company, Aeroframe, to his detriment with the consent and approval of Defendant AAR, all with the understanding that he would be recompensed for giving up Aeroframe's lease (and therefore its profits made by virtue of such lease) by AAR Aircraft Servicing, Inc. hiring him as a General Manager/Vice President for at least five years upon AAR's acquisition of Aeroframe's CIAA lease.

34. All conditions precedent to Plaintiff's employment with AAR have been met, and Defendant has accepted the opportunity to lease the CIAA hangar that Plaintiff's business

Aeroframe previously held under legal right for at least five years and which Plaintiff provided to Defendant for no cost with the understanding that he would be hired by AAR Aircraft Servicing, Inc. for a period of at least five years (or further compensated in accordance with the severance agreement).

35. As a result of Plaintiff's actions in cancelling his company's hangar lease with CIAA, Defendants acquired the economic benefit of leasing Aeroframe's hangar space, which enabled it to do business there while enjoying the profits made from leasing Aeroframe's hangar space over the period of at least five years instead of losing profits from those years due to inability to obtain such space.

36. However, Defendant has refused to pay for Plaintiff's cancellation of Aeroframe's hangar lease with CIAA and/or the value of the lease Aeroframe gave up (as measured by the profits made therefrom for a period of five years) despite Defendant's acceptance of Plaintiff's services in obtaining the hangar lease from Aeroframe.

37. Since Defendant failed to hire Plaintiff or pay him for the value of cancelling Aeroframe's lease so that AAR could use Aeroframe's hangar space, it would be unjust for Defendant to keep the benefit of acquiring the hangar lease and the value (or profits) stemming therefrom over a period of five years (i.e., the length of the employment contract) in order to obtain an economic advantage and the profits therefrom.

38. Defendant has been unjustly enriched in the amount of the value of the lease for such hanger space, including the profits that Defendant unjustly received from acquiring the lease; therefore, Plaintiff should be entitled to recover from Defendant damages in the amount of AAR's profits made from leasing such hangar space for a period of five years.

WHEREFORE, premises considered, Plaintiff prays for the following relief:

(A) That proper process be issued and served upon the Defendant requiring it to appear and file an Answer to the Plaintiffs Verified Complaint within thirty (30) days of service.;

(B) That the Court find that the Defendant breached the contract or agreement between the parties, and that Plaintiff be granted a judgment against Defendant for breach of contract and/or promissory estoppel in the amount of $ 1,250,000 and all other benefits Plaintiff may be entitled to under the parties' agreement.

(C) That Plaintiff be granted a judgment against Defendants for unjust enrichment since Defendant unjustly gained the benefit of Plaintiff cancelling Aeroframe's CIAA hangar lease so that it could lease that desirable space for its own benefit and accrual of business profits;

(D) For such other general relief as this Honorable Court deems proper.

JURY TRIAL DEMAND

Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure, Plaintiff demands a trial by jury on all issues so triable.

ATTORNEYS FOR PLAINTIFF

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CERTIFICATE OF SERVICE

I hereby certify that on the 15th day of December, 2015, I electronically filed with the Clerk of Court the within and foregoing Amended Complaint by using the CM/ECF system which will send a notice of electronic filing to the following counsel: for Defendant, James R. Mulroy, II, Sally F. Barron, JACKSON LEWIS P.C., 999 Shady Grove Road, Suite 110, Memphis, TN 38120. Additionally, a copy of the Amended Complaint has been sent by regular mail and electronic transmission to co-counsel for Plaintiff, Rex L. Brasher, Jr., 5100 Poplar Avenue, Suite 2515, Memphis, TN 38137-2504, rlb@bbslegal.com.

/s/ James L. Holt, Jr.
James L. Holt, Jr.